

STATEMENT OF BASIS (AI No. 42044)

for draft Louisiana Pollutant Discharge Elimination System permit No. **LA0102946** to discharge to waters of the State of Louisiana.

THE APPLICANT IS: Kinder Morgan Bulk Terminals, Inc.
Barge Canal Dock
7116 LA Highway 22
Sorrento, LA 70778

ISSUING OFFICE: Louisiana Department of Environmental Quality (LDEQ)
Office of Environmental Services
Post Office Box 4313
Baton Rouge, Louisiana 70821-4313

PREPARED BY: Lisa Kemp

DATE PREPARED: August 26, 2009

1. PERMIT STATUS**A. Reason For Permit Action:**

Permit reissuance of a Louisiana Pollutant Discharge Elimination System (LPDES) permit for a 5-year term

B. LPDES permits –

LPDES permit effective date: July 1, 2004

LPDES permit expiration date: June 30, 2009

C. Date Application Received: December 15, 2008; additional information received August 19, 2009**2. FACILITY INFORMATION****A. FACILITY TYPE/ACTIVITY - marine cargo handling facility for petroleum coke**

The Barge Canal Dock is an existing facility where green petroleum coke is unloaded from hopper barges into trucks. Calcined coke is received by truck and loaded into barges.

The facility has three separate discharges. The first consists of equipment and loading area washdown and rainwater that has accumulated in customer barges during transport. Equipment and the loading area are washed with river water. This water, along with rainwater from the barges, is treated in settling barges. The water in the settling barges either evaporates or is sent back to the customer for disposal except in emergency situations. Sanitary wastewater from a small package treatment plant is also discharged from the facility.

The facility may also discharge ballast water from incoming (customer) barges. This is an emergency situation and occurs only when the barge is in danger of sinking. Discharges of customer ballast water are now covered under EPA's Vessel General Permit. Therefore, the discharge of customer ballast water has been removed from this permit. However, the applicant has requested that Outfall 003 be retained in the permit in case of discharge of facility ballast water.

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B. FEE RATE

1. Fee Rating Facility Type: minor
2. Complexity Type: II*
3. Wastewater Type: II
4. SIC code: 4491

* Complexity points BPJ'd to 5 because of low flow. Rainwater from the barges normally evaporates from the settling tanks or is sent back to the customer.

- C. LOCATION** - at the end of Barge Dock Road at the Port of Baton Rouge Barge Dock, Baton Rouge, East Baton Rouge Parish (Latitude 30° 33' 26", Longitude 91° 13' 6")
 River Mile 235

3. OUTFALL INFORMATION

Outfall 001

Discharge Type: equipment and loading area washdown wastewater and rainwater accumulated in barges during transport
 Treatment: settlement barges
 Location: at the point of discharge from the settlement barge prior to combining with other waters
 Flow: 5000 gpd
 Discharge Route: directly to Baton Rouge Harbor; thence into the Mississippi River

Outfall 002

Discharge Type: treated sanitary wastewater
 Treatment: package treatment plant
 Location: at the point of discharge from the STP prior to combining with other waters
 Flow: 500 gpd
 Discharge Route: directly to Baton Rouge Harbor; thence into the Mississippi River

Outfall 003

Discharge Type: facility ballast water and void water
 Treatment: none
 Location: at the point of discharge from the vessel prior to combining with other waters
 Flow: intermittent
 Discharge Route: directly to Baton Rouge Harbor; thence into the Mississippi River

4. RECEIVING WATERS

STREAM - Baton Rouge Harbor; then to the Mississippi River

BASIN AND SEGMENT - Mississippi River Basin, Segment 070203

DESIGNATED USES -
 a. primary contact recreation
 b. secondary contact recreation
 c. propagation of fish and wildlife

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5. TMDL STATUS

Subsegment 070203, Devil's Swamp Lake and Bayou Baton Rouge, is listed on LDEQ's Final 2006 303(d) List as impaired for lead, nutrients (including nitrate/nitrite and phosphorus), organic enrichment/low DO, pathogen indicators, and turbidity. To date no TMDLs have been completed for this waterbody. A reopener clause will be established in the permit to allow for the requirement of more stringent effluent limitations and requirements as imposed by a TMDL. Until completion of TMDLs for the Mississippi River Basin, those suspected causes for impairment which are not directly attributed to the petroleum coke marine cargo handling facility point source category have been eliminated in the formulation of effluent limitations and other requirements of this permit. Additionally, suspected causes of impairment which could be attributed to pollutants which were not determined to be discharged at a level which would cause, have the reasonable potential to cause or contribute to an excursion above any present state water quality standard were also eliminated.

Lead is not characteristic of the discharges associated with this facility. Therefore, these discharges should not cause or contribute to further lead impairments. The overall discharges from the facility are small and infrequent. As such, they should not contribute to the turbidity impairment in this area. Discharges from this facility may contribute to the organic enrichment/low DO, nutrients, and pathogen indicator impairments.

Organic enrichment/low DO

A TOC limit is established in accordance with discharges of washwater and stormwater at Outfall 001. A BOD₅ limit is established in accordance with sanitary discharges for Outfall 002.

Nutrients (Nitrate/Nitrite, Phosphorus)

LAC 33:IX.2707.D.1.f.iii allows the establishment of effluent limitations based on an indicator parameter for the pollutant of concern. LDEQ's consistent approach to controlling nutrients in similar discharges where the WQMP does not otherwise require specific nutrient limitations is achieved by limiting the discharge of oxygen-demanding substances. Compliance with the BOD₅ and TOC limitations as the indicator parameters will result in the control of nutrients from the discharge sufficient to attain and maintain the applicable water quality standard. Effluent monitoring of the indicator parameter as conducted by the permittee in accordance with the effluent limitations of the permit in addition to LDEQ's ambient water quality monitoring program will allow for further evaluation by the Department to determine the effectiveness of the limitation. The reopener clause located in Other Conditions of the final permit allows the Department to modify or revoke and reissue the permit if the limitations as set on the indicator parameter are shown to no longer attain and maintain applicable water quality standards.

The previous permit established reporting requirements for Ammonia – Nitrogen. Because the receiving stream is still impaired for nutrients and TMDLs have not been established to date, the report requirement has been retained. This data will be used for future nutrient criteria development.

Fecal Coliform

A fecal coliform limit is established in accordance with sanitary discharges for Outfall 002.

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6. CHANGES FROM PREVIOUS PERMIT

Outfall 002

Monthly average effluent limitations for BOD, TSS, and Fecal Coliform have been established at Outfall 002. Weekly average limitations are now daily maximum limitations. These changes have been made in accordance with current LDEQ guidance for similar discharges.

Outfall 003

Customer ballast waters are now covered by the EPA Vessel General Permit, therefore, the discharge of incoming customer ballast water from Outfall 003 has been deleted. However, the facility would like to keep Outfall 003 in the permit in case of discharge of facility ballast and void water. The wastewater description has been changed from "incoming ballast water" to "facility ballast water and void water." Effluent limitations and monitoring requirements have been established at Outfall 003 for discharges of facility ballast and void water.

Part II

Part II language for facility ballast and/or void water has been added in accordance with current LDEQ guidance for similar discharges from similar facilities.

Language has been added to Part II of the permit stating that this LPDES permit does not exempt the facility from compliance with the requirements of the EPA Vessel General Permit for Discharges Incidental To The Normal Operation of Vessels (VGP).

7. COMPLIANCE HISTORY/COMMENTS

- A. OEC – There are no open, appealed, or pending OEC enforcement actions as of August 6, 2009.

Incident Report:

According to an inspection report dated April 25, 2007, the facility was inspected in response to a citizen complaint of raw petroleum coke on the water surface and coke dust in the air which was received on April 24, 2007 (Incident 95613). No areas of concern were noted during the inspection.

- B. DMR Review/Excursions – DMRs were reviewed for the period June, 2007 – June, 2009. The DMRs indicate that Outfalls 001 and 003 have not discharged in the past two years. Kinder-Morgan Bulk Terminals has indicated that Outfall 001 wastewaters were allowed to evaporate in the settling barge or sent back to the customer for disposal. The following exceedances were noted for Outfall 002:

Date	Parameter	Outfall	Reported Value	Permit Limits
12/2008	BOD5	002	77.8 mg/L	45 mg/L
06/2008	Fecal Coliform	002	19,000 col/100ml	400 col/100 ml
12/2007	Fecal Coliform	002	>60,000 col/100ml	400 col/100ml

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- C. Inspections – A routine compliance inspection performed on June 18, 2004 revealed the following:
1. Outfalls 001 and 003 are no longer being utilized at the facility, but DMRs are completed and submitted to the Department.
 2. DMRs were reviewed on site and it was noted that a sample from 2002 exceeded the holding time for Fecal Coliform.
 3. Overall site appeared to be maintained well and in good operating condition.

8. EXISTING EFFLUENT LIMITS

Outfall 001 – washdown water from the green coke hopper and bucket, washdown water from the calcined coke loading area, and stormwater accumulated in incoming barges

Pollutant	Limitation		Frequency
	Monthly Avg	Daily Max	
	Mg/L (unless stated)		
Flow - gpd	Report	Report	1/month
TSS	---	50	1/month
TOC	---	50	1/month
Oil & Grease	---	15	1/month
pH, standard units	6.0 (min)	9.0 (max)	1/month

Outfall 002 – sanitary wastewater

Pollutant	Limitation		Frequency
	Monthly Avg	Weekly Average	
	mg/L (unless stated)		
Flow	Report	Report	1/6 months
BOD ₅	---	45	1/6 months
TSS	---	45	1/6 months
Fecal Coliform colonies/100ml	---	400	1/6 months
NH ₃ -N	---	Report	1/6 months
pH, s.u.	6.0 (min)	9.0 (max)	1/6 months

Outfall 003 – Incoming ballast water

Pollutant	Limitation		Frequency
	Monthly Avg	Daily Max	
	Mg/L (unless stated)		
Flow - gpd	Report	Report	Once per discharge event
COD	---	250	Once per discharge event
Oil & Grease	---	15	Once per discharge event
pH, standard units	6.0 (min)	9.0 (max)	Once per discharge event

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9. ENDANGERED SPECIES

The receiving waterbody, Subsegment 070203 of the Mississippi River Basin is not listed in Section II.2 of the Implementation Strategy as requiring consultation with the U.S. Fish and Wildlife Service (FWS). This strategy was submitted with a letter dated November 17, 2008 from Rieck (FWS) to Nolan (LDEQ). Therefore, in accordance with the Memorandum of Understanding between the LDEQ and the FWS, no further informal (Section 7, Endangered Species Act) consultation is required. The effluent limitations established in the permit ensure protection of aquatic life and maintenance of the receiving water as aquatic habitat. Therefore, the issuance of the LPDES permit is not likely to have an adverse effect on any endangered or candidate species or the critical habitat.

10. HISTORIC SITES

The discharge is from an existing facility location, which does not include an expansion on undisturbed soils. Therefore, there should be no potential effect to sites or properties on or eligible for listing on the National Register of Historic Places, and in accordance with the "Memorandum of Understanding for the Protection of Historic Properties in Louisiana Regarding LPDES Permits" no consultation with the Louisiana State Historic Preservation Officer is required.

11. TENTATIVE DETERMINATION

On the basis of preliminary staff review, the Department of Environmental Quality has made a tentative determination to issue a permit for the discharge described in the application.

12. PUBLIC NOTICES

Upon publication of the public notice, a public comment period shall begin on the date of publication and last for at least 30 days thereafter. During this period, any interested persons may submit written comments on the draft permit and may request a public hearing to clarify issues involved in the permit decision at this Office's address on the first page of the statement of basis. A request for a public hearing shall be in writing and shall state the nature of the issues proposed to be raised in the hearing.

Public notice published in:

Local newspaper of general circulation

Office of Environmental Services Public Notice Mailing List

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Rationale for Kinder Morgan Bulk Terminals, Inc.

1. **Outfall 001** - equipment and loading area washdown wastewater and rainwater accumulated in barges during transport (estimated flow is 5000 gpd)

Pollutant	Limitation		Reference
	Monthly Avg	Daily Max	
	Mg/L (unless stated)		
Flow (gpd)	Report	Report	LAC 33:IX.2707
TSS	---	50	Similar discharges* (BPJ), previous permit
TOC	---	50	Similar discharges* (BPJ), previous permit
Oil & Grease	---	15	Similar discharges* (BPJ), previous permit
pH, standard units	6.0 (min)	9.0 (max)	Similar discharges* (BPJ), previous permit

Treatment: settling barges

Monitoring Frequency: 1/month for all parameters at the point of discharge from the settlement barge prior to combining with other waters

Limits Justification: Effluent limitations are BPJ, based on the previous permit limits, which were based on individual industrial permits for coal and coke terminals.

This facility is not subject to Effluent Limitations Guidelines (ELGs) for Transportation Equipment Cleaning, 40 CFR Part 442, because, in accordance with 40 CFR 442.1 a, "this part applies to discharges resulting from cleaning the interior of tanks used to transport chemical, petroleum or food grade cargos." This facility discharges rainwater accumulated in dry bulk hopper barges. The ELGs do not apply to dry bulk hopper barges per 40 CFR 442.1(b) (2).

2. **Outfall 002** – sanitary wastewater (estimated flow is 500 gpd)

Pollutant	Limitation		Reference
	Monthly Avg	Daily Max	
	mg/L		
Flow	Report	Report	
BOD ₅	30	45	Similar discharges* (BPJ), LAG530000
TSS	30	45	Similar discharges* (BPJ), LAG530000
NH ₃ -N	---	Report	Previous permit
Fecal Coliform colonies/100ml	200	400	Similar discharges* (BPJ), LAG530000
pH, s.u.	6.0 (min)	9.0 (max)	Similar discharges* (BPJ), LAG530000

Treatment: mechanical treatment plant

Monitoring Frequency: Semiannually for all parameters at the point of discharge from the STP prior to mixing with other waters.

Limits Justification: Limits and monitoring frequencies are based on current guidance for similar discharges from other industrial facilities and the Class I Sanitary Discharge General Permit, LAG530000 effective December 1, 2007. NH₃-N monitoring has been retained in the permit because the stream is still

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impaired for nutrients and TMDLs have not been established to date. Data collected will be used for future nutrient criteria development.

3. **Outfall 003: facility ballast water and void water**

Pollutant	Limitation		Reference
	Monthly Avg	Daily Max	
	mg/L		
Flow ¹	Report	Report	
COD ¹	---	250	Similar discharges (BPJ)
Oil & Grease ¹	---	15	Similar discharges (BPJ)
Oil and grease, visual ²	---	No presence	Similar discharges (BPJ)
pH, s.u. ¹	6.0 (min)	9.0 (max)	Similar discharges (BPJ)

BPJ Best Professional Judgment

Treatment: none

Monitoring Frequency: 1/day for Oil and grease, visual. Flow, COD, Oil & Grease and pH shall be monitored once per event at the point of discharge from the vessel prior to combining with other waters.

Limits Justification: Limits and Monitoring Frequency are based on current guidance for similar discharges from other industrial facilities.

1. Discharge shall be sampled whenever there is a presence of a visual sheen.
2. When discharging.

BPJ Best Professional Judgement
 su Standard Units

NOTE

For outfalls containing concentration limits, the usage of concentration limits is based on BPJ for similar outfalls since the flow is variable and estimated.

STORM WATER POLLUTION PREVENTION PLAN (SWP3) REQUIREMENT

A SWP3 is included in the permit because in accordance with LAC 33:IX.2511.A.1, storm water discharges shall not be required to obtain an LPDES permit "... except... discharges associated with industrial activity." In accordance with LAC 33:IX.2511.B.14.h, facilities classified as SIC code 4491 are not considered to have storm water discharges associated with industrial activity unless they have "vehicle maintenance shops, equipment cleaning operations, or airport deicing operations." This facility does wash down equipment. In addition, there is potential for stormwater contamination from processes including loading, unloading, and area washdown.

For first time permit issuance, the SWP3 shall be prepared, implemented, and maintained within six (6) months of the effective date of the final permit. **For renewal permit issuance,** the SWP3 shall be

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reviewed and updated, if necessary, within six (6) months of the effective date of the final permit. The plan should identify potential sources of storm water pollution and ensure the implementation of practices to prevent and reduce pollutants in storm water discharges associated with industrial activity at the facility (see Narrative Requirements for the AI).